

CS FOR HOUSE BILL NO. 244(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 4/27/01

Referred: Rules

Sponsor(s): REPRESENTATIVES JAMES, Dyson, Harris, Wilson, Scalzi, Hayes, Foster, Coghill, McGuire

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to a grant of state land to the Denali Borough for a railroad and utility**
2 **corridor and a railroad development project; repealing provisions relating to a grant of**
3 **a right-of-way of land for a railroad and utility corridor to the Alaska Industrial**
4 **Development and Export Authority; and providing for an effective date."**

5 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 * **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
7 to read:

8 GRANT FOR RAILROAD AND UTILITY CORRIDOR. (a) The Department of
9 Natural Resources shall grant to the Denali Borough state land for the purpose of supporting
10 economic development in the borough by enabling Kantishna Holdings, Inc., and its
11 successors and assigns in interest, to provide for a utility corridor and for the design,
12 construction, development, operation, and maintenance of a railroad and facilities to support
13 that development project.

14 (b) The Denali Borough, in consultation with Kantishna Holdings, Inc., and the

1 Department of Natural Resources, shall identify a railroad and utility corridor that runs from
2 near the community of Healy to the eastern boundary of Denali National Park and Preserve.
3 Except where needed for construction, safety, or environmental considerations or for required
4 ancillary facility development, the corridor may not exceed 300 feet in width. The borough,
5 in consultation with Kantishna Holdings, Inc., and the Department of Natural Resources, shall
6 also identify ancillary land necessary to support the development and operation of a railroad
7 and facilities to support economic development in conjunction with the railroad development
8 project. Upon approval by the department of the land identified under this subsection, the
9 borough shall survey the land and, upon the submission of the survey to the department, the
10 department shall convey the land to the borough.

11 (c) The borough may receive not more than 3,500 acres of state land under this
12 section. The grant to the borough may not impair valid property rights in the land.

13 (d) The amount of land transferred to the Denali Borough under this section shall be
14 applied toward fulfillment of the borough's general land grant entitlement determined under
15 AS 29.65.030. However, other provisions of AS 29.65 do not apply to the transfer.

16 * **Sec. 2.** Sections 24(c) and 25, ch. 109, SLA 1998, are repealed.

17 * **Sec. 3.** This Act takes effect July 1, 2001.